

E16	Schedule DB - Part A Sn 1 Opt/Cap/Floor Owned	NONE
E16	Schedule DB - Part A Sn 2 Opt/Cap/Floor Acquired	NONE
E17	Schedule DB - Part A Sn 3 Opt/Cap/Floor Term	NONE
E17	Schedule DB - Part B Sn 1 Opt/Cap/Floor In-force	NONE
E18	Schedule DB - Part B Sn 2 Opt/Cap/Floor Written	NONE
E18	Schedule DB - Part B Sn 3 Opt/Cap/Floor Term	NONE
E19	Schedule DB - Part C Sn 1 Col/Swap/Frwr Open	NONE
E19	Schedule DB - Part C Sn 2 Col/Swap/Frwr Opened	NONE
E20	Schedule DB - Part C Sn 3 Col/Swap/Frwr Term	NONE
E20	Schedule DB - Part D Sn 1 Futures Contracts Open	NONE
E21	Schedule DB - Part D Sn 2 Futures Contracts Opened	NONE
E21	Schedule DB - Part D Sn 3 Futures Contracts Term	NONE
E22	Schedule DB - Part E Sn 1 Counterparty Exposure	NONE

SCHEDULE E - PART 1 - CASH

1			2	3	4	5	6	7
Depository			Code	Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
open depositories								
Wachovia					32,346		4,943,933	X X X
0199998 Deposits in .....1 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories				X X X				X X X
0199999 Totals - Open Depositories				X X X	32,346		4,943,933	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories				X X X				X X X
0299999 Totals - Suspended Depositories				X X X				X X X
0399999 Total Cash On Deposit				X X X	32,346		4,943,933	X X X
0499999 Cash in Company's Office				X X X	X X X	X X X		X X X
0599999 Total Cash				X X X	32,346		4,943,933	X X X

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January	4. April	4,489,181	7. July	(3,401,321)	10. October	616,883
2. February	5. May	(1,505,615)	8. August	(2,513,669)	11. November	(1,527,233)
3. March	6. June	9,933,400	9. September	17,540,422	12. December	4,943,933

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Gross Investment Income
NONE							
0199999 Total Cash Equivalents							

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

		1	2	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
		Type of Deposit	Purpose of Deposit	3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
States, Etc.							
1.	Alabama (AL)						
2.	Alaska (AK)						
3.	Arizona (AZ)						
4.	Arkansas (AR)						
5.	California (CA)						
6.	Colorado (CO)						
7.	Connecticut (CT)						
8.	Delaware (DE)						
9.	District of Columbia (DC)						
10.	Florida (FL)						
11.	Georgia (GA)						
12.	Hawaii (HI)						
13.	Idaho (ID)						
14.	Illinois (IL)						
15.	Indiana (IN)						
16.	Iowa (IA)						
17.	Kansas (KS)						
18.	Kentucky (KY)						
19.	Louisiana (LA)						
20.	Maine (ME)						
21.	Maryland (MD)						
22.	Massachusetts (MA)						
23.	Michigan (MI)						
24.	Minnesota (MN)						
25.	Mississippi (MS)						
26.	Missouri (MO)						
27.	Montana (MT)						
28.	Nebraska (NE)						
29.	Nevada (NV)						
30.	New Hampshire (NH)						
31.	New Jersey (NJ)						
32.	New Mexico (NM)						
33.	New York (NY)						
34.	North Carolina (NC)						
35.	North Dakota (ND)						
36.	Ohio (OH)						
37.	Oklahoma (OK)						
38.	Oregon (OR)						
39.	Pennsylvania (PA)						
40.	Rhode Island (RI)						
41.	South Carolina (SC)						
42.	South Dakota (SD)						
43.	Tennessee (TN)	O	Statutory Deposit	16,249,672	16,310,057		
44.	Texas (TX)						
45.	Utah (UT)						
46.	Vermont (VT)						
47.	Virginia (VA)						
48.	Washington (WA)						
49.	West Virginia (WV)						
50.	Wisconsin (WI)						
51.	Wyoming (WY)						
52.	American Samoa (AS)						
53.	Guam (GU)						
54.	Puerto Rico (PR)						
55.	U.S. Virgin Islands (VI)						
56.	Northern Mariana Islands (MP)						
57.	Canada (CN)						
58.	Aggregate other alien (OT)	X X X	X X X				
59.	Total	X X X	X X X	16,249,672	16,310,057		
DETAILS OF WRITE-INS							
5801.							
5802.							
5803.							
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X				
5899.	Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X				



SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES
(To Be Filed by April 1)

For the year ended December 31, 2007

Of The AMERIGROUP Tennessee, Inc.
Address (City, State, Zip Code) Nashville, TN, 37214
NAIC Group Code 1156 NAIC Company Code 12941 Employer's ID Number 20-4776597

The Investment Risk Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements.
Answer the following interrogatories by reporting the applicable U. S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement. \$ 107,602,809

1	2	3	4
Issuer	Description of Exposure	Amount	Percentage of Total Admitted Assets
2. Ten largest exposures to a single issuer/borrower/investment.			
2.01			
2.02			
2.03			
2.04			
2.05			
2.06			
2.07			
2.08			
2.09			
2.10			

NAIC Rating		1	2
		Amount	Percent
3.	Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC rating.		
Bonds			
3.01	NAIC-1	89,965,117	83.609
3.02	NAIC-2		
3.03	NAIC-3		
3.04	NAIC-4		
3.05	NAIC-5		
3.06	NAIC-6		
Preferred Stocks			
3.07	P/RP-1		
3.08	P/RP-2		
3.09	P/RP-3		
3.10	P/RP-4		
3.11	P/RP-5		
3.12	P/RP-6		

4. Assets held in foreign investments:
4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? Yes[X] No[]

	1	2
	Amount	Percent
4.02 Total admitted assets held in foreign investments		
4.03 Foreign-currency-denominated investments		
4.04 Insurance liabilities denominated in that same foreign currency		

If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

NAIC Sovereign Rating		1 Amount	2 Percent
5.	Aggregate foreign investment exposure categorized by NAIC sovereign rating:		
5.01	Countries rated NAIC-1 .....	.....	.....
5.02	Countries rated NAIC-2 .....	.....	.....
5.03	Countries rated NAIC-3 or below .....	.....	.....

NAIC Sovereign Rating		1 Amount	2 Percent
6.	Two largest foreign investment exposures in a single country, categorized by the country's NAIC sovereign rating:		
Countries rated NAIC-1:			
6.01	.....	.....	.....
6.02	.....	.....	.....
Countries rated NAIC-2:			
6.03	.....	.....	.....
6.04	.....	.....	.....
Countries rated NAIC-3 or below:			
6.05	.....	.....	.....
6.06	.....	.....	.....

Description		1 Amount	2 Percent
7.	Aggregate unhedged foreign currency exposure .....	.....	.....

NAIC Sovereign Rating		1 Amount	2 Percent
8.	Aggregate unhedged foreign currency exposure categorized by NAIC sovereign rating:		
8.01	Countries rated NAIC-1 .....	.....	.....
8.02	Countries rated NAIC-2 .....	.....	.....
8.03	Countries rated NAIC-3 or below .....	.....	.....

NONE

NAIC Sovereign Rating		1 Amount	2 Percent
9.	Two largest unhedged foreign currency exposures to a single country, categorized by the country's NAIC sovereign rating:		
Countries rated NAIC-1:			
9.01	.....	.....	.....
9.02	.....	.....	.....
Countries rated NAIC-2:			
9.03	.....	.....	.....
9.04	.....	.....	.....
Countries rated NAIC-3 or below:			
9.05	.....	.....	.....
9.06	.....	.....	.....

1 Issuer	2 NAIC Rating	3 Amount	4 Percent
10.	Ten largest non-sovereign (i.e. non-governmental) foreign issues:		
10.01
10.02
10.03
10.04
10.05
10.06
10.07
10.08
10.09
10.10

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:
11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets?
If response to 11.01 is yes, detail is not required for the remainder of Interrogatory 11.
- Yes[X] No[]

Description		1 Amount	2 Percent
11.02	Total admitted assets held in Canadian Investments		
11.03	Canadian-currency-denominated investments		
11.04	Canadian-denominated insurance liabilities		
11.05	Unhedged Canadian currency exposure		

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions.
12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets?
If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.
- Yes[X] No[]

1 Contractual Sales Restrictions		2 Amount	3 Percent
12.02	Aggregate statement value of investments with contractual sales restrictions		
	Largest 3 investments with contractual sales restrictions:		
12.03	.....	
12.04	.....	
12.05	.....	

13. Amounts and percentages of admitted assets held in the ten largest equity interests:
13.01 Are assets held in equity interest less than 2.5% of the reporting entity's total admitted assets?
If response to 13.01 above is yes, responses are not required for the remainder of Interrogatory 13.
- Yes[X] No[]

1 Name of Issuer		2 Amount	3 Percent
Assets held in equity interests:			
13.02		
13.03		
13.04		
13.05		
13.06		
13.07		
13.08		
13.09		
13.10		
13.11		

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:
14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets?
If response to 14.01 above is yes, responses are not required for the remainder of Interrogatory 14.
- Yes[X] No[]

1 Investment Category		2 Amount	3 Percent
14.02	Aggregate statement value of investments held in nonaffiliated, privately placed equities		
Largest 3 investments held in nonaffiliated, privately placed equities:			
14.03	.....	
14.04	.....	
14.05	.....	

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:
15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets?
If response to 15.01 is yes, responses are not required for the remainder of Interrogatory 15.
- Yes[X] No[]

1 Investments in General Partnerships		2 Amount	3 Percent
15.02	Aggregate statement value of investments held in general partnership interests		
Largest 3 investments in general partnership interests:			
15.03	.....	
15.04	.....	
15.05	.....	

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:
16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets?
If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.
- Yes[X] No[]

1 Type (Residential, Commercial, Agricultural)		2 Amount	3 Percent
Total admitted assets held in Mortgage Loans			
16.02		
16.03		
16.04		
16.05		
16.06		
16.07		
16.08		
16.09		
16.10		
16.11		

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

Description	Loans	
	2 Amount	3 Percent
Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans:		
16.12 Construction loans		
16.13 Mortgage loans over 90 days past due		
16.14 Mortgage loans in the process of foreclosure		
16.15 Mortgage loans foreclosed		
16.16 Restructured mortgage loans		

Loan-to-Value	Residential		Commercial		Agricultural	
	1 Amount	2 Percent	3 Amount	4 Percent	5 Amount	6 Percent
17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:						
17.01 Above 95%						
17.02 91% to 95%						
17.03 81% to 90%						
17.04 71% to 80%						
17.05 Below 70%						

18. Amounts and percents of the reporting entity's total admitted assets held in each of the five largest investments in real estate:
- 18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[]
- If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

1 Description	2 Amount	3 Percent
Largest 5 investments in any one parcel or group of contiguous parcels of real estate:		
18.02		
18.03		
18.04		
18.05		
18.06		

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans:
- 19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[]
- If response to 19.01 is yes, responses are not required for the remainder of Interrogatory 19.

1 Description	2 Amount	3 Percent
19.02 Aggregate statement value of investments held in mezzanine loans		
Largest three investments held in mezzanine real estate loans:		
19.03		
19.04		
19.05		

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

Description	At Year-End		Amount at End of Each Quarter		
	Amount 1	Percent 2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:					
20.01 Securities lending agreements (do not include assets held as collateral for such transactions)					
20.02 Repurchase agreements					
20.03 Reverse repurchase agreements					
20.04 Dollar repurchase agreements					
20.05 Dollar reverse repurchase agreements					

Description	Owned		Written	
	1 Amount	2 Percent	3 Amount	4 Percent
21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floors:				
21.01 Hedging				
21.02 Income generation				
21.03 Other				

Description	NONE		Amount at End of Each Quarter		
	1	2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:					
22.01 Hedging					
22.02 Income generation					
22.03 Replications					
22.04 Other					

Description	At Year-End		Amount at End of Each Quarter		
	Amount 1	Percent 2	1st Qtr 3	2nd Qtr 4	3rd Qtr 5
23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts:					
23.01 Hedging					
23.02 Income generation					
23.03 Replications					
23.04 Other					



ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

United States Policy Forms Direct Business Only

For The Year Ended December 31, 2007

NAIC Group Code: 1156		(To Be Filed By April 1)					NAIC Company Code: 12941	
		1	2	3	4	5	6	7
		Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
A.	INDIVIDUAL BUSINESS							
1.	Comprehensive Major Medical							
1.1.	With Contract Reserves							
1.2.	Without Contract Reserves							
1.3.	Subtotal							
2.	Short-Term Medical							
2.1.	With Contract Reserves							
2.2.	Without Contract Reserves							
2.3.	Subtotal							
3.	Other Medical (Non-Comprehensive)							
3.1.	With Contract Reserves							
3.2.	Without Contract Reserves							
3.3.	Subtotal							
4.	Specified/Named Disease							
4.1.	With Contract Reserves							
4.2.	Without Contract Reserves							
4.3.	Subtotal							
5.	Limited Benefit							
5.1.	With Contract Reserves							
5.2.	Without Contract Reserves							
5.3.	Subtotal							
6.	Student							
6.1.	With Contract Reserves							
6.2.	Without Contract Reserves							
6.3.	Subtotal							
7.	Accident Only or AD&D							
7.1.	With Contract Reserves							
7.2.	Without Contract Reserves							
7.3.	Subtotal							
8.	Disability Income - Short-Term							
8.1.	With Contract Reserves							
8.2.	Without Contract Reserves							
8.3.	Subtotal							

NONE

ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
9. Disability Income - Long-Term							
9.1. With Contract Reserves							
9.2. Without Contract Reserves							
9.3. Subtotal							
10. Long-Term Care							
10.1. With Contract Reserves							
10.2. Without Contract Reserves							
10.3. Subtotal							
11. Medicare Supplement (Medigap)							
11.1. With Contract Reserves							
11.2. Without Contract Reserves							
11.3. Subtotal							
12. Dental							
12.1. With Contract Reserves							
12.2. Without Contract Reserves							
12.3. Subtotal							
13. State Children's Health Insurance Program							
13.1. With Contract Reserves							
13.2. Without Contract Reserves							
13.3. Subtotal							
14. Medicare							
14.1. With Contract Reserves							
14.2. Without Contract Reserves							
14.3. Subtotal							
15. Medicaid							
15.1. With Contract Reserves							
15.2. Without Contract Reserves	384,864,891	359,627,547		93.4	356,528	356,528	1,988,320
15.3. Subtotal	384,864,891	359,627,547		93.4	356,528	356,528	1,988,320
16. Other Individual Business							
16.1. With Contract Reserves							
16.2. Without Contract Reserves							
16.3. Subtotal							
17. Total Individual Business							
17.1. With Contract Reserves							
17.2. Without Contract Reserves	384,864,891	359,627,547		93.4	356,528	356,528	1,988,320
18. Grand Total Individual	384,864,891	359,627,547		93.4	356,528	356,528	1,988,320

ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

	1	2	3	4	5	6	7
	Premiums Earned	Incurred Claims Amount	Change in Contract Reserves	Loss Ratio (2 + 3) / 1	Number of Policies or Certificates as of Dec. 31	Number of Covered Lives as of Dec. 31	Member Months
B. GROUP BUSINESS							
Comprehensive Major Medical							
1. Single Employer							
1.1. Small Employer							
1.2. Other Employer							
1.3. Single Employer Subtotal							
2. Multiple Employer Assns and Trusts							
3. Other Associations and Discretionary Trusts							
4. Other Comprehensive Major Medical							
5. Comprehensive/Major Medical Subtotal							
Other Medical (Non-Comprehensive)							
6. Specified/Named Disease							
7. Limited Benefit							
8. Student							
9. Accident Only or AD&D							
10. Disability Income - Short-Term							
11. Disability Income - Long-Term							
12. Long-Term Care							
13. Medicare Supplement (Medigap)							
14. Federal Employees Health Benefit Plans							
15. Tricare							
16. Dental							
17. Medicare							
18. Other Group Care							
B19. Grand Total Group Business							
C. OTHER BUSINESS							
1. Credit (Individual and Group)							
2. Stop Loss/Excess Loss							
3. Administrative Services Only	X X X	X X X	X X X	X X X			
4. Administrative Services Contracts	X X X	X X X	X X X	X X X			
5. Grand Total Other Business							
D. TOTAL BUSINESS							
1. Total Non U.S. Policy Forms	384,864,891	359,627,547			356,528	356,528	1,988,320
2. Grand Total Individual, Group and Other Business				93.4			

ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

PART 1 - INDIVIDUAL POLICIES SUMMARY

	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
Description				
1. U.S. Forms Direct Business ...	384,864,891	359,627,547		93.443
2. Other Forms Direct Business ...				
3. Total Direct Business ...	384,864,891	359,627,547		93.443
4. Reinsurance Assumed ...				
5. Less Reinsurance Ceded ...				
6. TOTAL ...	384,864,891	359,627,547		93.443

PART 2 - GROUP POLICIES SUMMARY

	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
Description				
1. U.S. Forms Direct Business ...	NONE			
2. Other Forms Direct Business ...				
3. Total Direct Business ...				
4. Reinsurance Assumed ...				
5. Less Reinsurance Ceded ...				
6. TOTAL ...				

PART 3 - CREDIT POLICIES (Individual and Group) SUMMARY

	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
Description				
1. U.S. Forms Direct Business ...	NONE			
2. Other Forms Direct Business ...				
3. Total Direct Business ...				
4. Reinsurance Assumed ...				
5. Less Reinsurance Ceded ...				
6. TOTAL ...				

PART 4 - ALL INDIVIDUAL, GROUP AND CREDIT POLICIES SUMMARY

	1 Premiums Earned	2 Incurred Claims Amount	3 Change in Contract Reserves	4 Loss Ratio (2 + 3) / 1
Description				
1. U.S. Forms Direct Business ...	384,864,891	359,627,547		93.443
2. Other Forms Direct Business ...				
3. Total Direct Business ...	384,864,891	359,627,547		93.443
4. Reinsurance Assumed ...				
5. Less Reinsurance Ceded ...				
6. TOTAL ...	384,864,891	359,627,547		93.443

MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT
For The Year Ended December 31, 2007
(To be filed by March 1)
FOR THE STATE OF GEORGIA

NAIC Group Code: 1156
Address (City, State and Zip Code): Nashville, TN 37214
Person Completing This Exhibit:

NAIC Company Code: 12941

Title:

Telephone:

1	2	3	4	5	6	7	8	9	10	Policies Issued Through 2004				Policies Issued in 2005, 2006, 2007			
										11	Incurred Claims		14	15	Incurred Claims		18
											12	13			16	17	
Compliance with OBRA	Policy Form Number	Standardized Medicare Supplement Benefit Plan	Medicare Select	Plan Characteristics	Date Approved	Date Approval Withdrawn	Date Last Amended	Date Closed	Policy Marketing Trade Name	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives
0299999	Total Experience on Group Policies	GENERAL INTERROGATORIES															

NONE

1. If response in Column 1 is no, give full and complete details:
2. Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
2.1 Address:
2.2 Contact Person and Phone Number:
3. Billing address and contact person for user fees established under 41 U.S.C. 1395u(h)(3)(B)
3.1 Address:
3.2 Contact Person and Phone Number:
4. Explain any policies identified above as policy type "O":



Supp13 SIS Title NONE

Supp14 SIS Financial Reporting NONE

Supp15 SIS Inform. - Management and Directors NONE

Supp16 Statement Beneficial Ownership NONE



Medicare Part D Coverage Supplement
(Net of Reinsurance)
(To be Filed By March 1)

NAIC Group Code: 1156 NAIC Company Code: 12941

		Individual Coverage		Group Coverage		5 Total Cash
		1	2	3	4	
		Insured	Uninsured	Insured	Uninsured	
1.	Premiums Collected					
1.1	Standard Coverage					
1.11	With Reinsurance Coverage		X X X		X X X	
1.12	Without Reinsurance Coverage		X X X		X X X	
1.13	Risk-Corridor Payment Adjustments		X X X		X X X	
1.2	Supplemental Benefits		X X X		X X X	
2.	Premiums Due and Uncollected - change					
2.1	Standard Coverage					
2.11	With Reinsurance Coverage		X X X		X X X	X X X
2.12	Without Reinsurance Coverage		X X X		X X X	X X X
2.2	Supplemental Benefits		X X X		X X X	X X X
3.	Unearned Premium and Advance Premium - change					
3.1	Standard Coverage					
3.11	With Reinsurance Coverage		X X X		X X X	X X X
3.12	Without Reinsurance Coverage		X X X		X X X	X X X
3.2	Supplemental Benefits		X X X		X X X	X X X
4.	Risk-Corridor Payment Adjustments - change					
4.1	Receivable		X X X		X X X	X X X
4.2	Payable		X X X		X X X	X X X
5.	Earned Premiums					
5.1	Standard Coverage					
5.11	With Reinsurance Coverage		X X X		X X X	X X X
5.12	Without Reinsurance Coverage		X X X		X X X	X X X
5.13	Risk-Corridor Payment Adjustments		X X X		X X X	X X X
5.2	Supplemental Benefits		X X X		X X X	X X X
6.	Total Premiums		X X X		X X X	
7.	Claims Paid					
7.1	Standard Coverage	N O N E				
7.11	With Reinsurance Coverage				X X X	
7.12	Without Reinsurance Coverage				X X X	
7.2	Supplemental Benefits				X X X	
8.	Claim Reserves and Liabilities - change					
8.1	Standard Coverage					
8.11	With Reinsurance Coverage		X X X		X X X	X X X
8.12	Without Reinsurance Coverage		X X X		X X X	X X X
8.2	Supplemental Benefits		X X X		X X X	X X X
9.	Healthcare Receivables - change					
9.1	Standard Coverage					
9.11	With Reinsurance Coverage		X X X		X X X	X X X
9.12	Without Reinsurance Coverage		X X X		X X X	X X X
9.2	Supplemental Benefits		X X X		X X X	X X X
10.	Claims Incurred					
10.1	Standard Coverage					
10.11	With Reinsurance Coverage		X X X		X X X	X X X
10.12	Without Reinsurance Coverage		X X X		X X X	X X X
10.2	Supplemental Benefits		X X X		X X X	X X X
11.	Total Claims		X X X		X X X	
12.	Reinsurance Coverage and Low Income Cost Sharing					
12.1	Claims Paid - net to reimbursements applied	X X X		X X X		
12.2	Reimbursements Received but Not Applied - change	X X X		X X X		
12.3	Reimbursements Receivable - change	X X X		X X X		X X X
12.4	Healthcare Receivables - change	X X X		X X X		X X X
13.	Aggregate Policy Reserves - change					X X X
14.	Expenses Paid		X X X		X X X	
15.	Expenses Incurred		X X X		X X X	X X X
16.	Underwriting Gain/Loss		X X X		X X X	X X X
17.	Cash Flow Results	X X X	X X X	X X X	X X X	

Supp19 Long Term Care Form A - Part 2 NONE

Supp19 Long Term Care Form A - Part 3 NONE

Supp20 Long Term Care Form B Summary NONE

Amended Statement Cover

1. Per instruction of TDCI, the entire \$2,000,000 retroactive receivable along with the related 8,000 member months were eliminated from Premium Receivable, Premium Revenue, and Member Months Total. In addition, member months have been corrected to exclude enrollees related to the ASO product. The pages affected by these changes include:

Page 2 ASSETS

Page 3 LIABILITIES, CAPITAL AND SURPLUS

Page 4 STATEMENT OF REVENUE AND EXPENSES

Page 5 STATEMENT OF REVENUE AND EXPENSES (Continued)

Page 7 ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

Page 8 UNDERWRITING AND INVESTMENT EXHIBIT Part 1- Premium

Page 12 UNDERWRITING AND INVESTMENT EXHIBIT Part 2C – Development of Paid and Incurred Health Claims (000 Omitted)

Page 17 Exhibit 1 – ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Page 25 Notes to the Financial Statements

Page 29 FIVE – YEAR HISTORICAL DATA

Page 30 EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

Page 50 SCHEDULE T – PREMIUMS AND OTHER CONSIDERATIONS ALLOCATED BY STATES AND TERRITORIES

Page 52 INFORMATION CONCERNING ACTIVITIES OF INSURER

Page 53 SCHEDULE Y (CONTINUED) PART 2 – SUMMARY OF INSURERS' TRANSACTIONS WITH ANY AFFILIATES

Supp2 SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

2. Notes to Financial Statements Note 18 (Page 25, Gain or loss to the Reporting Entity from Uninsured plans and the Uninsured Portion of Partially Insured Plans) have been amended to disclose the ASO Operations in the West Tennessee Grand Region and in the Middle Tennessee Grand Region.
3. Notes to Financial Statement Note 10 (Page 25, Information Concerning Parent, Subsidiaries and Affiliates) were revised to include AMERIGROUP Health Solutions, Inc. payable.
4. Schedule Y (Page 52, Information Concerning Activities of Insurer) was amended to include AMERIGROUP Health Solutions, Inc.
5. Schedule Y (Continued) Part 2 (Page 53, Summary of Insurers' Transactions with any Affiliates) now discloses the Service Agreement Amount of \$305,480 from AMERIGROUP Health Solutions.



12941200735000105

2007

Document Code: 350

Management's Discussion and Analysis

AMERIGROUP Tennessee, Inc.
Management's Discussion and Analysis
December 31, 2007

Introduction

AMERIGROUP Tennessee, Inc. ("HMO") was certified to operate as an HMO in the state of Tennessee on April 2007. The HMO commenced operations in the Middle-Grand region on April 1, 2007 and November 1, 2007 under an ASO contract in acquisition of Memphis Managed Care Corporation ("MMCC.")

Results of Operations

Revenue

The HMO enrolled members and received premium revenue effective April 1, 2007. As of December 31, 2007, the HMO only provided healthcare coverage to Medicaid members. Premiums were \$384,864,891 for year-to-date 2007.

Medical

Medical expenses were recorded based upon reported and IBNR (incurred but not reported) activity. Year to date medical expenses total 93.4% of premium revenue (medical loss ratio). The medical loss ratio did not include the administrative expenses related to care management, case review, and health promotions activities. Current year medical expenses included the build up of margin required for actuarial certification.

Administrative

Administrative expenses included local expenses as well as management fees incurred by the HMO. Total administrative and claims adjustment expenses were \$51,865,114 for year-to-date 2007. Major components of administrative expenses in 2007 were premium taxes of \$7.6 million, salaries and benefits of \$15.9 million, and management fees of \$25.4 million.

Federal Income Tax

The HMO was not liable for federal income taxes in 2007.

Net Loss

At December 31, 2007, the HMO reported a year-to-date loss of \$24,641,552. The loss is primarily driven by the high medical loss ratio mentioned above.

Prospective Information

On April 1, 2007, AMERIGROUP Tennessee, Inc. began offering healthcare coverage to Medicaid members in the State of Tennessee for the Middle-Grand region. As of December 31, 2007, AMERIGROUP Tennessee, Inc. served approximately 186,000 members in the Middle-Grand region. On November 1, 2007, we acquired the contract rights and substantially all of the assets of MMCC, including substantially all of the assets of Midsouth Health Solutions, Inc., a subsidiary of MMCC. As of December 31, 2007, AMERIGROUP Tennessee, Inc. served approximately 170,000 members under an ASO arrangement in the West Tennessee region as a result of this acquisition. We believe this acquisition will strengthen our ability to respond to the West Tennessee request for proposal ("RFP") that was released in January 2008. The State of Tennessee intends to convert the contracts in that region from an ASO arrangement to a risk arrangement.

Material Changes

Assets

The assets of the HMO consisted of cash, investments including restricted deposits with the TennCare, premium receivable, and health care receivables. The HMO shall maintain restricted deposits in an amount equal to the net worth requirement specified in Section 2.21.5.1. In 2007, the restricted deposits were \$16,249,672. Premium receivable for 2007 was mainly comprised of 10% withholds from November and December and a \$2 million retro accrual. Additional assets for 2007 included Investment Income due and accrued of \$647,933 and net admitted electronic data processing equipment of \$628,972.

Liabilities

Management's Discussion and Analysis

The liabilities of the HMO consisted of the liability for reported and IBNR (incurred but not reported) claims. Liabilities also included an affiliate payable of \$5.8 million related to current year administrative expenses as well as ASO claims. As of December 31, 2007, general expenses due and accrued balance was 225,254. The Aggregate Write-Ins for 2007 included current accrued expenses, premium tax and a non-risk payable.

Capital and Surplus Accounts

The capital and surplus of the HMO reflected the common stock, paid in surplus and surplus as a result of operations. The increase in surplus was mainly due to a contribution of the AMERIGROUP Corporation, the parent company, of \$66,614,358 for the year.

Minimum Net Worth

The HMO maintained a minimum net worth equal to the greater of \$1.5 million or 4% of the first \$150 million of annualized revenue plus 1.5% above \$150 million based upon weighted average capitation rates proposed by the contractor plus priority add-on capitation times the number of enrollees assigned as of 12/31/06. As of December 31, 2007, the Company net worth was \$15,656,844 and was in compliance with the net worth requirement.

Liquidity, Asset/Liability Matching and Capital Resources

Medicaid premium revenue and interest income were the primary sources of cash for the HMO. Additional cash has been provided by capital contributions from the Parent totaling \$66,614,358 during 2007. Management has no concerns over the HMO's current or future liquidity and cash flow considering the projected increase in 2008.

Off -Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as of December 31, 2007.

Participation in High Yield Financings, Highly Leverage Transactions or Non-Investment Grade Loans and Investments

The Company did not participate in high yield financings, highly leverage transactions or non-investment grade loans and investments as of December 31, 2007.

Preliminary Merger/Acquisition Negotiations

On November 1, 2007, AMERIGROUP Corporation and AMERIGROUP Tennessee, Inc. acquired the contract rights and substantially all of the assets of Memphis Managed Care Corporation ("MMCC") including substantially all of the assets of Midsouth Health Solutions, Inc., a subsidiary of MMCC, for approximately \$11,733. An additional contingent payment of approximately \$18,250 will be payable at such time if and when the State of Tennessee awards to AMERIGROUP Tennessee, Inc. a capitated contract through the TennCare program to provide full-risk managed care services to the Medicaid population in West Tennessee. The initial \$11,733 payment is subject to post-closing adjustments based on the timing of the implementation of the full-risk program in West Tennessee and the \$18,250 contingent payment is subject to adjustment based on the number of full-risk members assigned to AMERIGROUP Tennessee, Inc. should it bid successfully in West Tennessee. The purchase price was financed through available unregulated cash. The assets purchased consisted primarily of MMCC's rights to provide administrative services to the State of Tennessee for its TennCare members in the West Tennessee region. As of December 31, 2007, total membership in the West Tennessee region equaled approximately 170,000. Goodwill and other intangibles total \$10,039, which includes \$1,819 of specifically identifiable intangibles allocated to the rights to the administrative services contract, the provider network and trademarks. Intangible assets related to the rights to membership and provider network are being amortized over ten years on a straight-line basis. Intangible assets related to the trademarks are being amortized over 14 months on a straight-line basis.

Additionally, as a result of the contingent nature of any future payments, purchase price adjustments may arise as those amounts become known.

Conclusion

Since AMERIGROUP Tennessee, Inc. was certified to operate as an HMO in the state of Tennessee, the HMO provided coverage to Medicaid members in the Middle-Grand region. On November 1, 2007, we acquired the contract rights and substantially all of the assets of MMCC,

Management's Discussion and Analysis

including substantially all of the assets of Midsouth Health Solutions, Inc., a subsidiary of MMCC. As of December 31, 2007, AMERIGROUP Tennessee, Inc. served approximately 170,000 members under an ASO arrangement in the West Tennessee region as a result of this acquisition. Premiums were \$384,864,891 for year-to-date 2007. Year to date medical expenses total 93.4% of premium revenue (medical loss ratio). Major components of administrative expenses in 2007 were premium taxes of \$7.6 million, salaries and benefits of \$15.9 million, and management fees of \$25.4 million. As of December 31, 2007, Management has no concerns over the HMO's current or future liquidity and cash flow considering the projected increase in 2008.



Audited Financial Report

INDEX TO HEALTH
ANNUAL STATEMENT

Analysis of Nonadmitted Assets	16
Analysis of Operations By Lines of Business	7
Assets	2
Cash Flow	6
Exhibit 1 - Enrollment By Product Type for Health Business Only	17
Exhibit 2 - Accident and Health Premiums Due and Unpaid	18
Exhibit 3 - Health Care Receivables	19
Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus	20
Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates	21
Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates	22
Exhibit 7 - Part 1 - Summary of Transactions With Providers	23
Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries	23
Exhibit 8 - Furniture, Equipment and Supplies Owned	24
Exhibit of Capital Gains (Losses)	15
Exhibit of Net Investment Income	15
Exhibit of Premiums, Enrollment and Utilization (State Page)	30
Five-Year Historical Data	29
General Interrogatories	27
Jurat Page	1
Liabilities, Capital and Surplus	3
Notes To Financial Statements	25
Overflow Page For Write-ins	55
Schedule A - Part 1	E01
Schedule A - Part 2	E02
Schedule A - Part 3	E03
Schedule A - Verification Between Years	31
Schedule B - Part 1	E04
Schedule B - Part 2	E05
Schedule B - Verification Between Years	31
Schedule BA - Part 1	E06
Schedule BA - Part 2	E07
Schedule BA - Verification Between Years	31
Schedule D - Part 1	E08
Schedule D - Part 1A - Section 1	33
Schedule D - Part 1A - Section 2	36
Schedule D - Part 2 - Section 1	E09
Schedule D - Part 2 - Section 2	E10
Schedule D - Part 3	E11
Schedule D - Part 4	E12
Schedule D - Part 5	E13
Schedule D - Part 6 - Section 1	E14
Schedule D - Part 6 - Section 2	E14
Schedule D - Summary By Country	32
Schedule D - Verification Between Years	32
Schedule DA - Part 1	E15
Schedule DA - Part 2 - Verification Between Years	39
Schedule DB - Part A - Section 1	E16
Schedule DB - Part A - Section 2	E16
Schedule DB - Part A - Section 3	E17
Schedule DB - Part A - Verification Between Years	40
Schedule DB - Part B - Section 1	E17
Schedule DB - Part B - Section 2	E18
Schedule DB - Part B - Section 3	E18
Schedule DB - Part B - Verification Between Years	40
Schedule DB - Part C - Section 1	E19
Schedule DB - Part C - Section 2	E19
Schedule DB - Part C - Section 3	E20
Schedule DB - Part C - Verification Between Years	41
Schedule DB - Part D - Section 1	E20

INDEX TO HEALTH
ANNUAL STATEMENT

Schedule DB - Part D - Section 2	E21
Schedule DB - Part D - Section 3	E21
Schedule DB - Part D - Verification Between Years	41
Schedule DB - Part E - Section 1	E22
Schedule DB - Part E - Verification	41
Schedule DB - Part F - Section 1	42
Schedule DB - Part F - Section 2	43
Schedule E - Part 1 - Cash	E23
Schedule E - Part 2 - Cash Equivalents	E24
Schedule E - Part 3 - Special Deposits	E25
Schedule S - Part 1 - Section 2	44
Schedule S - Part 2	45
Schedule S - Part 3 - Section 2	46
Schedule S - Part 4	47
Schedule S - Part 5	48
Schedule S - Part 6	49
Schedule T - Part 2 - Interstate Compact	51
Schedule T - Premiums and Other Considerations	50
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group	52
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates	53
Statement of Revenue and Expenses	4
Summary Investment Schedule	26
Supplemental Exhibits and Schedules Interrogatories	54
Underwriting and Investment Exhibit - Part 1	8
Underwriting and Investment Exhibit - Part 2	9
Underwriting and Investment Exhibit - Part 2A	10
Underwriting and Investment Exhibit - Part 2B	11
Underwriting and Investment Exhibit - Part 2C	12
Underwriting and Investment Exhibit - Part 2D	13
Underwriting and Investment Exhibit - Part 3	14